

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
Alexandria Division**

**In re:**

**GUNNING MOTORS, INC.**

**Debtor.**

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**Chapter 11  
Case No. 10-11896-RGM**

**OBJECTION OF CHRYSLER FINANCIAL SERVICES AMERICAS, LLC  
TO DEBTOR'S MOTION FOR ORDER AUTHORIZING SALE OF DEBTOR'S ASSETS  
FREE AND CLEAR OF ALL CLAIMS, LIENS AND ENCUMBRANCES, AND THE  
ASSIGNMENT OF THE EXISTING LEASE**

COMES NOW, Chrysler Financial Services Americas LLC ("Chrysler"), by counsel and pursuant to Bankruptcy Rule 9013 and Local Bankruptcy Rule 9013, and objects to the Debtor's Motion for Order Authorizing Sale of Sale Debtor's Assets Free and Clear of All Claims, Liens and Encumbrances, and the Assignment of the Existing Lease ("Sale Motion") as follows:

1. The Debtor filed its Sale Motion on April 1, 2010, which sought the sale of the substantially all of the Debtor's assets and assignment of a lease to Brown Automotive Group ("Brown"). The terms and conditions of the sale were provided in an Asset Purchase Agreement between the Debtor and Brown, which was attached as Exhibit A to the Sale Motion.
2. A hearing date of April 27, 2010 was set, and the deadline for which to file a response to the Sale Motion was April 20, 2010.
3. Chrysler did not object to the Sale Motion as proposed, and therefore did not file a response.

4. Debtor's counsel provided a proposed order on the Sale Motion on April 23, 2010, which differed from the relief requested in the Sale Motion and altered the Asset Purchase Agreement.

5. Debtor's counsel has advised that she postponed the April 27, 2010 hearing for two weeks. Counsel for Chrysler has advised Debtor's counsel that Chrysler intended to file these objections, to which Debtor's counsel posed no objection. There is no prejudice to the Debtor in Chrysler's filing the objections to the Sale Motion.

6. To the extent the proposed order differs from the relief sought in the Sale Motion, Chrysler objects as follows:

a. Deletion of Section 4.3 of the Asset Purchase Agreement. Chrysler objects to the return of Subaru parts, which Chrysler has a first lien upon, to Subaru of America for purposes of crediting the Debtor;

b. Escrow of \$300,000.00 from the proceeds of the Sale, to be held in trust by Debtor's counsel. Upon information and belief, Debtor will seek to pay administrative plans and unsecured creditors with funds properly secured and belonging to Chrysler.

c. All proceeds from the sale except those listed in Debtor's Sale Motion should be remitted to Chrysler.

WHEREFORE, Chrysler respectfully requests that the Court, should it grant Debtor's Sale Motion; (a) include the Subaru parts in the Asset Purchase Agreement; (b) deny Debtor's request to escrow \$300,000.00 from the sale proceeds; (c) remit all proceeds of the sale to Chrysler except those fees and costs included in the Sale Motion; and (d) any such other and further relief the Court deems appropriate.

Respectfully submitted,

**CHRYSLER FINANCIAL SERVICES  
AMERICAS, LLC**

By:           /s/ Terry C. Frank          

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## **CERTIFICATE OF SERVICE**

I hereby certify that on this 27th day of April, 2010, a true copy of the foregoing ***Objection to Debtor's Motion for Order Authorizing Sale of Assets*** is being filed with the Court's Electronic Filing System, which will send a Notice of Electronic Filing (NEF) to the following users:

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And by U. S. Mail, postage prepaid, to the following non-users:

American Express  
P. O. Box 1270  
Newark, NJ 07101-1270

Automotive Finance Corp.  
43375 Old Ox Road  
Sterling, VA 20166

Chesapeake Petroleum & Supply  
P. O. Box 7610  
Gaithersburg, MD 20898

Clintas Corporation  
P. O. Box 1207  
Culpeper, VA 22701

Commonwealth of Virginia  
Department of Taxation  
P. O. box 26626  
Richmond, VA 23261-6626

Dealer Services Corporation  
5735 Industry Lane  
Bldg. A, Suite 9  
Frederick, MD 21704

Dealer Services Corporation  
1320 City Center Drive  
Suite 100  
Carmel, IN 46032

Kaiser Foundation Health Plan  
of Mid-Atlantic States, Inc.  
2101 E. Jefferson Street  
Rockville, MD 20852

Manassas Chrysler Jeep  
8100 Centreville Road  
Manassas, VA 20111

MPK Automotive Systems, Inc.  
3295 River Exchange Drive  
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Norcross, GA 30092

News & Messenger  
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Richmond, VA 23260-5248

Northwest Federal Credit Union  
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23756 Network Place  
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Dixon Hughes PLLC  
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Citrus Center, Suite 1225  
Orlando, FL 32801

DRAC Subaru Service Loaner  
JP Morgan Chase Bank  
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Phoenix, AZ 85004

Wiley Rein LLP  
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/s/ Terry C. Frank

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